

Collins CIV Cathy

From: Collins CIV Cathy
Sent: Tuesday, August 31, 2010 5:10 PM
To: M_HQMC_MCFCS_Directors/Deputies
Cc: M_HQMC_LB; Daise CIV Stanley C; Romano CIV Mark; Oliver CIV R. Kaye
Subject: APM 10-17 Ordering Procedures Under FAR Clause 52.216-18
Attachments: Ordering Procedures.pdf
Signed By: cathy.collins@usmc.mil

All,

BACKGROUND: Per the attached DASN Memorandum, dated 26 August 2010, some Department of the Navy activities may have established practices which provide for electronic issuance of delivery orders or task orders. As required by FAR 52.216-18, Ordering, orders may only be issued by mail unless otherwise authorized in the schedule. Issuing of orders other than by mail when not authorized in the schedule have the potential of being invalidated on the basis that these orders were not issued in accordance with the terms and conditions of the contract.

POLICY: As required by FAR 16.506(a), FAR clause 52.216-18, Ordering, is required in solicitations and contracts when a definite-quantity contract, requirements contract or an indefinite-quantity contract is contemplated. As required by FAR clause 52.216-18, orders to be issued orally, by facsimile, or by electronic commerce methods must be authorized in the schedule.

PROCEDURES:

- a. Include FAR 52.216-18, Ordering, in solicitations and contracts when a definite-quantity contract, requirements contract or an indefinite-quantity contract is contemplated.
- b. Include in the contract schedule authorization to issue orders orally, by facsimile, or by electronic commerce methods when it is expected orders will be issued other than by mail. If not otherwise authorized in the contract schedule, only issue orders by mail in accordance with FAR clause 52.216-18.

Request this APM be distributed to activity contracting personnel.

R/cc
Cathy Collins
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AUG 26 2010

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Ordering Procedures Under FAR Clause 52.216-18

It has come to our attention that some Department of the Navy activities may have established practices which provide for electronic issuance of delivery orders or task orders. In accordance with FAR 16.506(a), FAR clause 52.216-18 Ordering, is required in solicitations and contracts when a definite-quantity contract, requirements contract or an indefinite-quantity contract is contemplated. The FAR clause states that "Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the schedule." Accordingly, if orders are being issued by methods other than mailing the orders (e.g., electronic mail or email) and those methods have not been specifically authorized in the schedule, such orders have the potential of being invalidated on the basis that they were not issued in accordance with the terms and conditions of the contract.

We understand that a case has been initiated to revise the DFARS to establish a standard method for issuance of orders via electronic means. Pending this change to the DFARS, it is requested that all individuals and activities authorized to issue delivery or task orders be reminded that the clause at FAR 52.216-18 requires that methods other than mailing the orders be explicitly stated in the schedule.

My point of contact for this matter is Mr. Clarence Belton. He can be reached at clarence.belton@navy.mil or (703) 693-4006.

A handwritten signature in black ink, reading "Elliott B. Branch".

Elliott B. Branch
Executive Director
DASN (A&LM)

Distribution
See next page

SUBJECT: Ordering Procedures Under FAR Clause 52.216-18

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